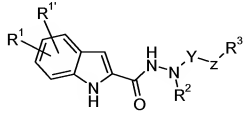
IN THE CLAIMS

1. (Currently Amended) A pharmaceutical composition comprising a compound of formula (I):



I

or a pharmaceutically acceptable salt thereof, wherein:

Y is -C(O)-;

Z is C_{1-4}alkylene, oxygen, -$(CH_2)_m$O-, -O$(CH_2)_m$-, -NR-, -$(CH_2)_m$NR-, -NR$(CH_2)_m$-, -$(CH_2)_m$S(O)$_2$- or a bond;

m is 1, 2, 3, or 4;

R is H, C_{1-3}alkyl, ~~**alkylaryl,**~~ C_{1-3}alkylaryl, ~~**alkylhetaryl,**~~ or C_{1-3}alkylhetaryl;

one of R^1 and $R^{1'}$ is hydrogen and the other is halogen

R^2 is H or C_{1-4}alkyl, $COOR^6$, COR^6, C_{1-4}alkoxyC_{1-4}alkyl–, hydroxyC_{1-4}alkyl, cycloalkylC_{1-4}alkyl–, arylC_{1-4}alkyl–, or hetarylC_{1-4}alkyl–, cycloalkyl–, aryl, or hetaryl–, wherein any of the aryl or hetaryl rings are optionally substituted with 1-2 independent halogen, cyano, C_{1-4}alkyl, C_{1-4}alkoxy, –N(C_{1-4}alkyl)(C_{1-4}alkyl), -NH_2, -NH(C_{1-4}alkyl), –SO_2C_{1-4}alkyl, –SO_2N(C_{1-4}alkyl)(C_{1-4}alkyl), SO_2NH(C_{1-4}alkyl), SO_2NH_2, hydroxy, fluoromethyl, difluoromethyl, or trifluoromethyl substituents;

R^3 is hydrogen, –COOH, –COOC_{1-4}alkyl, C_{1-4}alkoxy, C_{1-4}alkyl, arylC_{1-4}alkylthio-, –C_{1-4}alkylaryl, –C_{1-4}alkylhetaryl, –C_{1-4}alkylcycloalkyl or –C_{1-4}alkylheterocycle, –aryl, –hetaryl, –cycloalkyl or –heterocycle, wherein any of the rings is optionally substituted with 1-3 independent halogen, cyano, C_{1-4}alkyl, fluoromethyl, difluoromethyl, trifluoromethyl, –C_{1-4}alkylNHC(O)O(C_{1-4}alkyl), –NHC(O)O(C_{1-4}alkyl), –C_{1-4}alkylNR^7R^8, –NR^7R^8, –C(O)R^9, C_{1-4}alkoxyC_{1-4}alkyl–, C_{1-4}alkoxy, –COOC_{1-4}alkyl, –COOH, –C_{1-4}alkylNHC(O)R^9, –NHC(O)R^9, –C_{1-4}alkylC(O)N$(R^{10})_2$, –C(O)N$(R^{10})_2$, –C_{1-4}alkoxyC_{1-4}alkoxy, hydroxy, hydroxyC_{1-4}alkyl, –$NHSO_2R^{10}$, –SO_2(C_{1-4}alkyl), –$SO_2NR^{11}R^{12}$, 5- to 6-membered heterocyclyl, phenylC_{1-2}alkoxy, hydroxyphenyl, phenyl, or phenylC_{1-2}alkyl substituents, wherein phenyl is optionally substituted with 1-2 independent halogen, cyano, C_{1-4}alkyl, C_{1-4}alkoxy, –N(C_{1-4}alkyl)(C_{1-4}alkyl), -NH_2, -NH(C_{1-4}alkyl), –SO_2C_{1-4}alkyl, –SO_2N(C_{1-4}alkyl)(C_{1-4}alkyl), SO_2NH(C_{1-4}alkyl), SO_2NH_2, hydroxy, fluoromethyl, difluoromethyl or trifluoromethyl substituents, or two bonds on a ring carbon of the heterocyclyl optionally can form an oxo (=O) substituent;

or R^3 is –NR^4(–C_{1-4}alkylR^5) or –NR^4(–R^5);

R^4 is H, C_{1-3}alkyl, $-C_{2-3}$alkyl-NR^7R^8, C_{3-6}cycloalkyl optionally substituted by hydroxy or hydroxyC_{1-4}alkyl– further optionally substituted by hydroxy, C_{1-2}alkoxyC_{2-4}alkyl–, or C_{1-2}alkyl–$S(O)_n$–C_{2-3}alkyl–;

n is 0, 1, or 2;

R^5 is hydrogen, hydroxyC_{2-3}alkyl–, C_{1-2}alkoxyC_{1-4}alkyl, C_{1-2}alkoxy, or aryl, hetaryl, or heterocyclyl;

wherein a heterocyclic nitrogen-containing R^5 ring optionally is mono-substituted on the ring nitrogen with C_{1-4}alkyl, benzyl, benzoyl, C_{1-4}alkyl-C(O)–, $-SO_2C_{1-4}$alkyl, $SO_2N(C_{1-4}alkyl)(C_{1-4}alkyl)$, $SO_2NH(C_{1-4}alkyl)$, SO_2NH_2, C_{1-4}alkoxycarbonyl, or aryl(C_{1-4}alkoxy)carbonyl; and wherein the R^5 rings are optionally mono-substituted on a ring carbon with halogen, cyano, C_{1-4}alkyl–C(O)–, C_{1-4}alkyl–SO_2, C_{1-4}alkyl, C_{1-4}alkoxy, hydroxy, $–N(C_{1-4}alkyl)(C_{1-4}alkyl)$, $-NH_2$, $-NH(C_{1-4}alkyl)$, hydroxyC_{1-4}alkyl–, hydroxy, carbamoyl– or C_{1-4}alkylcarbamoyl–, provided that no quaternised nitrogen is included; or two bonds on a ring carbon of the heterocycle optionally can form an oxo (=O) substituent;

R^6 is C_{1-4}alkyl, aryl or hetaryl;

R^7 and R^8 are independently H or C_{1-4}alkyl, C_{3-6}cycloalkyl or $CO(C_{1-4}alkyl)$;

R^9 is C_{1-4}alkyl or C_{3-6}cycloalkyl;

R^{10} is H or C_{1-4}alkyl or C_{3-6}cycloalkyl;

R^{11} and R^{12} are independently H or C_{1-4}alkyl or together with the nitrogen to which they are attached may form a 4- to 6-membered heterocycle; and

n is 0, 1 or 2; and

provided there are no nitrogen-oxygen, nitrogen-nitrogen, oxygen-oxygen or nitrogen-halogen bonds in the grouping -Y-Z-R^3; and

provided that when -Y-Z- represents -C(O)-, -C(O)-C_{1-4}alkylene, -C(O)-$(CH_2)_m$NR-, ~~or –C(NH)-$(CH_2)_m$NR-,~~ then R^3 is not optionally substituted C_{3-10}cycloalkyl, phenyl, naphthyl, pyridyl, pyrazinyl, pyrazolyl, imidazolyl, triazolyl, thiazolyl, furanyl, thiophenyl, pyrrolyl, pyrrolidinyl, piperidinyl, indolyl, benzo[1,3]dioxol, thieno[2,3-b]pyrrolyl, or thieno[3,2-b]pyrrolyl;

and a pharmaceutically acceptable carrier.

2-14. (Canceled).

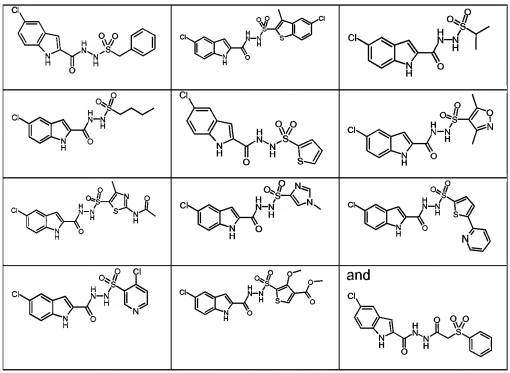
15. (Previously Presented) A pharmaceutical composition according to claim 1-wherein Z is C_{1-4}alkylene, oxygen, $-(CH_2)_mO-$, -NR- or a bond.

16-18. (Canceled).

19. (Previously Presented) A pharmaceutical composition according to claim 1-wherein one of R^1 and $R^{1'}$ is hydrogen and the other is 5-chloro.

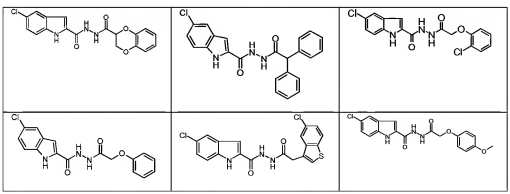
20. (Previously Presented) A pharmaceutical composition according to claim 1 wherein R^2 is hydrogen.

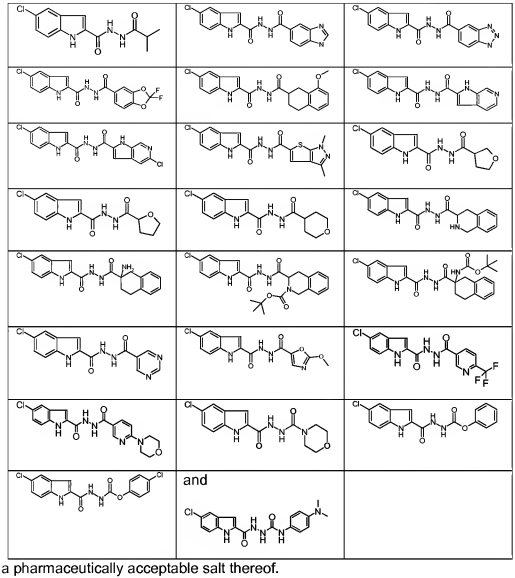
21. (Currently Amended) A compound selected from **the group consisting of**



or a pharmaceutically acceptable salt thereof.

22. (Currently Amended) A compound selected from **the group consisting of**





or a pharmaceutically acceptable salt thereof.

23. (Previously Presented) A pharmaceutical composition comprising a compound according to claim 21 or 22, or a pharmaceutically acceptable salt thereof; and a pharmaceutically acceptable carrier.

24. (Withdrawn) A method for the treatment of a disease or condition in which glycogen phosphorylase plays a role comprising a step of administering to a subject in need thereof an effective amount of a compound according to claim 1, or a pharmaceutically acceptable salt thereof.

25. (Withdrawn) A method for the treatment of hyperglycemia or diabetes comprising a step of administering to a subject in need thereof an effective amount of a compound according to claim 1, or a pharmaceutically acceptable salt thereof.

26. (Withdrawn) A method for the prevention of diabetes in a human demonstrating pre-diabetic hyperglycemia or impaired glucose tolerance comprising a step of administering to a subject in need thereof an effective prophylactic amount of a compound according to claim 1, or a pharmaceutically acceptable salt thereof.

27. (Withdrawn) A method for the treatment of hypercholesterolemia, hyperinsulinemia, hyperlipidemia, hypertension, atherosclerosis or tissue ischemia comprising a step of administering to a subject in need thereof an effective amount of a compound according to claim 1, or a pharmaceutically acceptable salt thereof.